

STOCK MARKET: LESSON 3

Objectives: to review stock market terms
to introduce new terms
to get to know each other (at the team level)
to explore how our comfort with taking a *risk* impacts the decisions we make

Materials: playground ball or tennis ball
Power Point or Video (NYSE, Dow Jones, NASDAQ) or You Tube)
YouTube *How Wall Street Works* (about 42 min.)
Choose what works best for your group.
<https://www.youtube.com/watch?v=VYPeMq0rxpM>
The Wall Street Stock Exchange: Top Documentary Film (about 45 min.)
<https://www.youtube.com/watch?v=ytRBirx08pk>
Definitions worksheet & scissors (matching activity)
Risk Assessment worksheet entitled *Who Are You?*



Activating Activity:

Review Terms Learned-ball toss to select volunteers

What is a *ticker symbol*?
What does the word *diversity* mean?
What does the word *portfolio* mean?
What is a *penny stock*?
What does the word *sector* mean?

Procedure:

1. Have students watch video *It All Starts Here* by the NYSE (or YouTube video that fits your students); prior to showing the video, ask the students if they can explain to someone the following terms: *Dow Jones Index, NASDAQ, and NYSE, and SEC*
2. After watching the video, do a matching activity at each table. Have them match the term with the definition. Once complete, ask if they have any questions.
3. Next, have each student take a short risk assessment as a getting to know each other activity. Read it to them in order to expedite the process. Once completed, have them turn the page to the back and see how they measure up when it comes to taking a risk by finding their score. Next, have the risk takers in one part of the room, no risk takers in another and so on. Talk briefly how this impacts how someone makes decisions and in this case spends money. What are the pros/cons of being a risk taker or NOT being a risk taker?
4. Next, have the students trade stocks on the NYSE. Ask them if they have purchased any stocks on the Dow Jones list.

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New Vocabulary

Dow Jones-

The **Dow Jones Industrial Average** also called the Industrial Average, the Dow Jones, the Dow Jones Industrial, the Dow 30, or simply the Dow, is a stock market index, and one of several indices created by Wall Street Journal editor and Dow Jones & Company co-founder Charles Dow. The industrial average was first calculated on May 26, 1896.

NASDAQ-NASDAQ ['nazdak]

ABBREVIATION National Association of Securities Dealers Automated Quotations, a computerized system for trading in securities. It is the [second-largest exchange](#) in the world by [market capitalization](#), behind only the [New York Stock Exchange](#).¹ Over the years, NASDAQ became more of a stock market by adding trade and volume reporting and automated trading systems. NASDAQ was also the first stock market in the United States to start trading online, highlighting NASDAQ-traded companies (usually in technology) and closing with the declaration that NASDAQ is "the stock market for the next hundred years."

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Ticker Symbol	a distinct subset of a market, society, or economy whose components have similar characteristics
Diversity	a collection of investments
Portfolio	the largest stock exchange in the United States located in New York City
Stock	to have variety
Sector	letters that identify a stock traded on a stock exchange; a short and convenient way of identifying a stock